

04-0456
(Do Not Write Above This Line)

A RESOLUTION BY:
FINANCE/EXECUTIVE COMMITTEE

A RESOLUTION TO AUTHORIZE THE MAYOR OR HER DESIGNEE TO ENTER INTO RENEWAL NUMBER ONE WITH ERNST & YOUNG, LLP, FOR FC-7530-02 ANNUAL CONTRACT FOR THE AUDIT OF FINANCIAL STATEMENTS IN AN AMOUNT NOT TO EXCEED \$913,600.00; AUTHORIZING THE MAYOR OR HER DESIGNEE TO ENTER INTO AN AMENDED RETAINER AGREEMENT WITH ERNST & YOUNG, LLP FOR FC-7530-02 SO AS TO ADDRESS CHANGED CIRCUMSTANCES ARISING FROM THE 2002 AUDIT; AUTHORIZING THE CHIEF FINANCIAL OFFICER TO MAKE PAYMENT IN THE AMOUNT OF \$750,000.00 TO ERNST & YOUNG, LLP, FOR ADDITIONAL COSTS INCURRED DUE TO INCREASES IN THE SCOPE OF WORK REQUIRED TO PERFORM THE 2002 AUDIT OF THE CITY OF ATLANTA; TO RESCIND CONFLICTING RESOLUTIONS; AND FOR OTHER PURPOSES.

ADOPTED BY

MAR 15 2004

COUNCIL

- ☐ CONSENT REFER
☐ REGULAR REPORT REFER
☐ ADVERTISE & REFER
☐ 1st ADOPT 2nd READ & REFER
☐ PERSONAL PAPER REFER

Date Referred

Referred To:

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

FIN 3-10-04

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

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FINAL COUNCIL ACTION

- ☐ 2nd ☐ 1st & 2nd ☒ 3rd
☒ Consent ☐ V Vote ☐ FC Vote

CERTIFIED

MAR 15 2004

MAR 15 2004

RECEIVED
MAR 15 2004
MUNICIPAL CLERK

MAYOR'S ACTION

MAR 23 2004
MAYOR

AN AMENDED RESOLUTION BY

FINANCE/EXECUTIVE COMMITTEE

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WHEREAS, the City of Atlanta sought proposals from professional accounting firms for FC-7530-02, Annual Contract for the Audit of Financial Statements; and

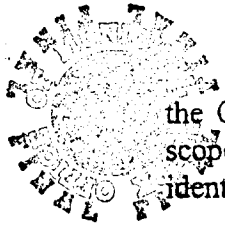
WHEREAS, the firm of Ernst & Young, LLP was determined to be the most responsive and responseble professional accounting firm; and

WHEREAS, the City Council authorized a one year agreement with two one-year renewals in Resolution 02-R-2188, adopted on January 21, 2003; and

WHEREAS, in accordance with the legislation, the City contracted with Ernst & Young, LLP, to conduct an audit of the City's financial records for 2002, with renewals for 2003 and 2004 audits; and

WHEREAS, the audit of the 2002 financials was completed on December 31, 2003, six months later than scheduled; and

WHEREAS, the delay in completion of the 2002 audit was the result of numerous unforeseen circumstances, and included delay in executing the contract, unfamiliarity with



the City on the part of the auditor, insufficient resources from the City to support the scope of the audit, and issues with prior year financial reports and accounting procedures identified by the auditors; and

WHEREAS, the conditions found caused Ernst & Young, as prudent professionals, to expand the scope of their audit in several key areas, resulting in significant increases in the hours required to complete the audit; and

WHEREAS, the Chief Financial Officer has determined that it is in the best interest of the City of Atlanta to entered into an amended retainer agreement to provide for the changed conditions from 2002 and to exercise renewal Number 1 for the 2003 audit in an amount consistent with the scope of the audit.

THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY RESOLVES THAT the Mayor or her designee be and is authorized the exercise Renewal Number 1 to FC-7530-02, with Ernst & Young, LLP for the 2003 Audit, in an amount not to exceed \$913,600.00 payable from the Fund Account Centers listed below:

1A01	524001	T31001	Non-Departmental, Consultant Svcs. \$546,733
2H01	524001	T31001	Non-Departmental, Consultant Svcs. \$192,602
2J01	524001	T31001	Non-Departmental, Consultant Svcs. \$174,265

BE IT FURTHER RESOLVED THAT the Chief Financial Officer be and is authorized to make payment to Ernst and Young, LLP, in the amount of \$750,000 for additional expenses incurred in the financial audit of the City's 2002 accounts due to expanded scope of services, expenses shall be charged to and paid from the Fund/Account/Centers listed below:

1A01	524001	T31001	Non-Departmental, Consultant Svcs. \$393,050
2H01	524001	T31001	Non-Departmental, Consultant Svcs. \$184,784
2J01	524001	T31001	Non-Departmental, Consultant Svcs. \$172,166

BE IT FINALLY RESOLVED THAT to the extent Resolution 02-R-2188 is in conflict herewith, that previous Resolution is rescinded and superceded.

A true copy,
Rhonda Daughin Johnson
Municipal Clerk, CMC

ADOPTED as amended by Council
APPROVED by the Mayor

March 15, 2004
March 23, 2004

COMMITTEE AMENDMENT FORM

Committee F.N. SEC Page Number(s) _____

Ordinance I.D.# _____ Section(s) _____

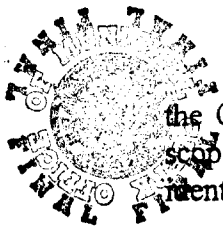
Resolution I.D.# 04-R-0456 Paragraph _____

Date _____

Amendment: add the not to exceed
amt \$ ~~916,300.00~~ ^{913,600.00} in the
it Resolution clause

JP
3/17/4

W46
OK



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